

**MINUTES OF THE
NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE
February 9, 2009
Room 415, State Capitol Building, State Capitol Complex**

MEMBERS PRESENT: Sen. Dennis Stowell, Co-Chair
Rep. Kerry W. Gibson, Co-Chair
Sen. Brent Goodfellow
Rep. Roger Barrus
Rep. Jack Draxler
Rep. James R. Gowans
Rep. John G. Mathis
Rep. Michael E. Noel
Rep. Christine Watkins
Rep. Brad Winn

MEMBERS ABSENT: Sen. David Hinkins

STAFF: Ivan Djambov, Fiscal Analyst
Linda Service, Committee Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Gibson called the meeting to order at 2:17 p.m.

MOTION: Rep. Gowans moved to approve the minutes of February 2, 2009 and February 4, 2009. The motion passed unanimously. Rep. Mathis and Rep. Winn were absent for the vote.

Report on the BLM Leases: Public Lands Office

John Harja, Director, Public Lands Coordination Office (PLPCO), presented information gathered by his office regarding the impact of Secretary Salazar's decision to pull the bids offered on leased parcels in the BLM December 2008 sale. Environmental groups have filed a law suit in the District Court of Washington D. C. asking for a temporary restraining order to prevent issue of the leases. The basis for the order was: (1) lack of sufficient study of air quality effects; (2) lack of consultation with the state historic preservation officer; and (3) the ill defined effects of climate change. PLPCO is intervening in the law suit attempting to bring it to Utah and will be attempting to open a dialogue with the Department of Interior.

Kevin Carter, Director, School and Institutional Trust Lands Administration (SITLA) elaborated on the effect of Secretary Salazar's decision on SITLA lands.

Utah State Fair Corporation: Analyst Presentation

The Analyst introduced the Compendium of Budget Information for the 2009 General Session Line Item: Utah State Fair Corporation. Funds for the fair are appropriated to the Department of Agriculture and Food for pass-through to the corporation, but organizationally they are a private, non-profit corporation. The Fairpark was privatized in 1995 and was directed to become self-sufficient. Since 1995 the corporation has attempted a variety of ways to increase revenues but for various reasons these attempts have failed.

Lorin Moeuch, Chairman, Board of Directors, Utah State Fairpark , assisted by Mike Porter, Treasurer, distributed a handout detailing sales tax remitted to the state, revenues received that are not subject to

sales tax, and net cash out to the Fairpark. Making the fairpark property self-sufficient is a goal. The fair is very successful, however, the rest of the year is a challenge - continually trying to upgrade older buildings and infrastructure. Mike Porter made note that the state fair is self-sufficient - maintaining the property is the problem. Bill Rigby, Utah Association of Conservation Districts, spoke in support of the state fair. Members of the committee expressed their appreciation to the Fair Board for their efforts and accomplishments.

Mark Ward, Utah Association of Counties, spoke to the concern counties have with regard to the 2008 BLM Land Lease Sale. He urged the Committee amend their effort to fund counties' and rural Utah's ability to defend what they have worked so hard to accomplish.

Department of Agriculture and Food: Analyst's Presentation

The Analyst distributed three handouts: (1) Report of Prior Year Funding Increases, 2009 General Session indicates how the Department spent appropriated monies during the year 2008. (2) Compendium of Budget Information for the 2009 General Session, Agency: Agriculture outlines function, five-year history of funding, statutory authority, and intent language. (3) Budget Tables by Line Item, 2009 General Session shows an update on the tables which is a starting point for the base budget.

Department of Agriculture and Food: Agency Response

Leonard Blackham, Commissioner, reviewed statutory responsibilities and effectiveness of the Department. At his request, members of his team gave a brief review of the activities in their programs: Terry Menlove, Animal Industry; Clair Allen, Plant Industry; Richard Clark, Regulatory Services; and Jed Christensen, Utah's Own. Commissioner Blackham discussed Organic Certification and requested fee increases to fund the program. Bruce Hough, President, Nutraceutical Corporation, spoke to the importance of the certification program and his support of the fee increase. Mr. Blackham presented a summary showing that the reductions in funding have affected some funds which have been passed through to other organizations. He requested additional funds for the Rural Rehab Loan Program especially for the dairy and turkey industry.

Wendell Stembridge, Chairman, Kamas Valley Soil Conservation District, publically thanked the Committee and Commissioner Blackham for their support of conservation districts. Gordon Younkers distributed a handout showing costs and challenges in 2008. He expressed support for the Department's budget and touched upon the success of the Invasive Species Mitigation Fund.

Sen. Stowell distributed Board of Water Resources, Funding Status handout. The Analyst was asked to clarify the publication. He noted the tables show the three water loan funds that affect Water Resources and the impact H.B 3 would have on projects that are currently listed, prioritized, and ready to be funded with water loan funds.

MOTION: Rep. Noel moved to adjourn the meeting at 4:24 p.m. The motion passed unanimously.

